



**Request for City Council Committee Action
From the Departments of Public Works
and
City Coordinator**

Date: January 23, 2007

To: Honorable Betsy Hodges, Chair Intergovernmental Relations Committee

Subject: **Moving Forward Together: U of M Area Neighborhood Impact Report**

Recommendation: Direct staff to submit the U of M area neighborhood impact report to the state legislature by February 15, 2007

Previous Directives:

January 9, 2007, Presentation to IGR Committee received and filed, and staff directed to route to relevant City departments for review and evaluation

November 14, 2006, Presentation to IGR Committee received and filed

Prepared by: Lois Eberhart, Public Works Interagency Coordinator 673-3260

Approved by:

Steven A. Kotke, P.E., City Engineer, Director of Public Works

Steven Bosacker, City Coordinator

Presenters: Lois Eberhart, Public Works Interagency Coordinator

Permanent Review Committee (PRC)	Approval _____	Not applicable	<u> X </u>
Policy review Group (PRG)	Approval _____	Not applicable	<u> X </u>

Financial Impact (Check those that apply)

- ☐ No financial impact - or - Action is within current department budget (If checked, go directly to Background/Supporting Information)
- ☐ Action requires an appropriation increase to the Capital Budget
- ☐ Action requires an appropriation increase to the Operating Budget
- ☐ Action provides increased revenue for appropriation increase
- ☐ Action requires use of contingency or reserves
- ☐ Business Plan: ☐ Action is within the plan. ☐ Action requires a change to plan.
- ☐ Other financial impact (Explain): _____
- ☐ Request provided to department's Finance Dept. contact when provided to the Committee Coordinator

Community Impact

Neighborhood Notification: A number of meetings were held with neighborhood and business groups, as described in the Report. Task Group membership includes neighborhood representatives.

City Goals: A SAFE PLACE TO CALL HOME -- *Housing, Health and Safety* -- better quality of life and access to housing and services; LIFELONG LEARNING SECOND TO NONE -- *Schools, Libraries and Innovation* -- the city will fully realize the benefits of having renowned educational and research institutions such as the U of M; CONNECTED COMMUNITIES -- *Great Spaces & Places, Thriving Neighborhoods* -- a connected collection of sustainable urban villages . . . Minneapolis' neighborhoods will have unique identities and character.

Comprehensive Plan: Not Applicable

Zoning Code: Not Applicable

Background/Supporting Information

At its January 9, 2007 meeting, the Intergovernmental Relations Committee directed "staff to route the draft Moving Forward Together: U of M Area Neighborhood Impact Report ["Report"] to relevant departments in the City to provide the opportunity for their review and to more fully evaluate the impact this would have for 2007 on work that hasn't yet been considered or represented in the process, or that isn't already in the works, and what the fulfillment of these recommendations would mean for their department, financially or personnel wise, and how it relates to their business plans i.e., IGR Department (examine implications for the City legislatively); Community Planning & Economic Development (examine what issues may come up regarding zoning, planning and development); Regulatory Services; Police and Fire Departments. Preliminary reports/updates requested to be reported back at the next IGR meeting of 1/23/2007."

The recommendations to the Minnesota legislature in the draft Report are summarized as follows (the full set of Recommendations is a link to the January 9, 2007 IGR agenda):

[Excerpt from draft Report]

"In recognition of the positive and negative impacts of the University's Twin Cities Campus on the nearby neighborhoods, and of the unique opportunities before us to preserve and improve the campus and area neighborhoods as a premier asset for the state, the region, and the city; the University of Minnesota, the City of Minneapolis, and the neighborhood communities adjacent to campus call on the Minnesota legislature to join with us to declare a University Community Partnership District, a district of special interest, to include the neighborhoods of Cedar-Riverside, Marcy-Holmes, South East Como, Prospect Park, and the University neighborhood (including the campus) and to create an alliance (form and legal status to be determined) governed by representatives from the University, the City, the neighborhoods, and others, that plans, manages programs, and initiates projects. The district to be the subject of joint efforts to preserve and maintain a vital, safe, and attractive community that will be a premier destination and choice of a place to live, learn, and work. The current trajectory of deterioration in the neighborhoods is of grave concern. Without focused action and investment now, the price of addressing the problems will be much greater in the future.

To further this objective, we recommend the following:

1. Continue the good work already underway.
2. Initiate organizational steps to create a new alliance that brings together the University, the City, and the neighborhoods and empowers them to act collaboratively. Provide start-up funds to begin this work immediately (\$500,000).
3. Take immediate action on first priority initiatives (Phase I) needed to reverse the neighborhood decline. Provide an initial capital grant to begin this work in 2007 (\$5,000,000).

4. Capitalize an endowment to provide sustained funding for alliance activities, including development of a long-term plan (\$20,000,000)
5. Provide additional endowment funds, to be matched by alliance fundraising, to implement Phase II projects arising out of long-term plan.” [End of Excerpt from draft Report]

Based on input received, a preliminary Enterprise-wide overview of the impacts can be expressed as follows:

If the legislature acts on the Report’s recommendations, there would need to be steps taken by City departments to incorporate the additional tasks into their workloads. The working premise of the task group is, most certainly, that a sufficient level of the funding requested of the legislature would pass to the City to support the additional tasks, however it has not yet been determined how, to whom, or when disbursements would be made. The City’s endorsement of the Report needs to be dependent on sufficient and timely funding and staff capacity.

Aspects of the Report hold much promise for the City’s interests. For example, having the University as a housing and development partner would be a very positive step. We would need, however, to frame more clearly leadership, implementation, and resources to manage expectations and coordinate “next steps”. With the magnitude of setting up and operating the proposed alliance, the City can only participate if appropriately funded by the legislature’s actions. This is consistent with the understanding of the Report’s working group, but needs to be clear also in presentation of the document to legislators.

If the legislature acts to carry out the Recommendations, there would need to be high level coordination of the City’s role with its alliance partners (the University of Minnesota and the neighborhood groups) to determine an organizational model for how the alliance would operate, determine how and by whom funding would be administered, determine how priorities would be set, determine the alliance’s powers and authorities, and so on. The City would play a partnership role to help shape and define the meaning and implications of a “University Community Partnership District”. Once formed, there would need to be ongoing management of the city’s engagement with the alliance. Due to the nature of the alliance objectives and the importance of this role, the City Coordinator, along with other department leaders, should determine appropriate staffing and its placement. Again, the working premise of the work group is that funding would be allocated to the City for this type of work.

Several department-specific points are the following:

- Regulatory Services has already initiated focused efforts in the area defined by the Report, using existing resources. As expressed by Rocco Forte in his January 9 presentation, the initiative will take one to two years using existing resources. If the legislature awards appropriate funds, however, the initiative could be accelerated and – very importantly – there could also be ongoing coordination to sustain the success of the initiative.
- The Minneapolis Police Department has had an effective partnership with the University of Minnesota Police, Hennepin County, and State Patrol to conduct “party patrols” with the goal of combating underage drinking on and around the campus and make accountable the illegal alcohol suppliers to the underaged. Because of this partnership, there has been a positive impact on DUI in the campus area, among both underaged drivers and those of legal age. In past years the City was able to fund a small part of what is needed, but those funds will not be available in the foreseeable future. Funding by the legislature’s actions could address this gap.

- The City Coordinator and CPED-Planning staff are working with the University of Minnesota regarding historic preservation issues, and if a “District” is formed, there may be associated benefit.
- Additionally, please see Attachment from CPED-Planning for response to IGR staff direction.

Finally, we request that in its direction to staff to submit the Report to the legislature by February 15 and in presentations of the Report to legislators, the Intergovernmental Relations Committee and the City Council continue to clarify that departments are not at this time implementing actions laid out in the Report or shifting existing resources. Except for continuing “the good work already underway” (Recommendation #1 in the excerpt above), actions outlined in the Report could only be carried out if funded by legislative action, and after additional work to understand the important implementation and resource implications for such a major undertaking.

Attachment: CPED-Planning response to IGR staff direction regarding U of M impact report

Cc:	<p>(all via e-mail)</p> <p><u>Council Members</u></p> <p><u>CPED</u></p> <p><u>Government Relations</u></p> <p><u>Regulatory Services</u></p> <p><u>Minneapolis Police Department</u></p> <p><u>Minneapolis Fire Department</u></p> <p><u>Mayor’s Office</u></p> <p><u>Public Works</u></p> <p><u>City Attorney’s Office</u></p> <p><u>University of Minnesota</u></p> <p><u>Task Group Neighborhood Representatives</u></p> <p><u>Additional Stadium Area Advisory Group Members</u></p>	<p>Ostrow, Gordon and Hofstede, Wards 1, 2 and 3</p> <p>Lee Sheehy, Barb Sporlein, Elizabeth Ryan, Jim Forsyth, Jennifer Jordan, Mike Christenson</p> <p>Gene Ranieri, Karen L. Wagner</p> <p>Rocco Forte, Joann Velde, Janine Atchison, Tom Deegan, Greg Simbeck, Ricardo Cervantes</p> <p>Chief Dolan, Robert Skomra</p> <p>Chief Clack, David Dewall</p> <p>Cara Letofsky, Erica Prosser</p> <p>Steve Kotke, Kelly Moriarity</p> <p>Erik Nilsson</p> <p>Kathleen O’Brien, Jan Morlock, Brian Swanson</p> <p>Florence Littman, Joan Menken, Wendy Menken, Dick Poppele, Kathy Vennewitz, Doris Wickstrom</p>
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Memorandum

To: Lois Eberhart
From: Barbara Sporlein
Date: January 23, 2007



Re: CPED-Planning response to IGR staff direction regarding U of M impact report

On January 9, 2007, the Intergovernmental Relations Committee directed staff to report back to the committee on the resource implications of the University of Minnesota impact report. Lois Eberhart of Public Works is collecting responses from each department to include in a report to the committee at its next meeting on January 23. Here are my comments in regards to CPED-Planning resources (staff, funding, work plan).

If funded by the legislature, several recommendations outlined in "Moving Forward Together: U of M Twin Cities Campus Area Neighborhood Impact Report" will require additions to the CPED-Planning work plan in 2007 and beyond. Following is a summary of recommendations impacting CPED-Planning and related work plan implications.

Phase I Recommendations (2007)

Regulatory issues

Relevant impact report recommendations

Page 3, First priority initiatives, (a)(4): *Review the record of "relative homesteaded" properties in the district, review best practices in other states, develop recommendations for modifying the State statute and/or zoning ordinances to eliminate de facto rental use of these properties.*

Page 4, First priority initiatives, (c)(1): *review zoning, housing, and site review standards in the district, related to the pattern of high density, low quality infill housing*

CPED-Planning role in implementation

Propose a zoning overlay district

CPED-Planning will add exploring a potential university area overlay district to the 2007 zoning code text amendment work plan. The purpose of this overlay district would be to add a layer of regulation related to student housing and parking requirements in areas adjacent to the University of Minnesota campus. This can be done in 2007 within the existing text amendment work plan, but may delay work on other text amendments. The text amendment work plan goes before the Zoning and Planning Committee on 2/1/07.

Review site plan review standards for 1-4 unit dwellings

In 2005 the City Council enacted a new set of site plan review standards for dwellings of one to four units. These standards were designed to increase the quality of new infill construction

through a flexible point system which allows housing developers to choose among enhancements such as increased window coverage and higher-quality exterior materials. Prior to the release of the impact report recommendations, CPED-Planning began reviewing the site plan review standards for dwellings of one to four units, analyzing their effect on infill housing constructed citywide since enactment. In addition, CPED-Planning is exploring changes to building bulk requirements for single- and two-family homes in response to concerns about “monster homes” being constructed in other parts of the city. Both of these efforts are already programmed and will not require additional resources.

Community planning

Relevant impact report recommendation

Page 5, Recommendation 3: *Develop a long-term plan for the alliance and the district develop a comprehensive vision; develop revitalization plan; build from existing, underlying plans; confirm strategies*

CPED-Planning role in implementation

The 2007 CPED-Planning work plan does not include a planning process for the University area. However, several small area plans and rezoning studies related to this area have been adopted by the City or are underway in recent years:

- Marcy-Holmes Neighborhood Master Plan (adopted December 2003)

- <http://www.ci.minneapolis.mn.us/master-plans/marcy-holmes/index.asp>

- Marcy-Holmes Master Plan Supplement (currently under review for adoption)

- <http://www.ci.minneapolis.mn.us/planning/marcy-holmes.asp>

- Southeast Minneapolis Industrial (SEMI)/Bridal Veil Refined Mast Plan (adopted July 2001)

- <http://www.ci.minneapolis.mn.us/planning/docs/SEMIplan.pdf>

- SEMI/29th & University SE Rezoning Study (currently under review for adoption)

- http://www.ci.minneapolis.mn.us/planning/semi_29th_rezoning.asp

- University Avenue SE & 29th Avenue SE Development Objectives and Design Guidelines (currently under review for adoption)

- <http://www.ci.minneapolis.mn.us/planning/university-29th.asp>

- Cedar-Riverside Small Area Plan (planning process underway)

- <http://www.ci.minneapolis.mn.us/planning/cedar-riverside.asp>

The resources needed for an additional planning process would depend on whether the process is led by the City or another organization (such as the alliance). In either case, without additional resources, any planning process added to the work plan will require CPED-Planning resources to be reallocated and other planned work delayed.

Phase II Recommendations (2009 and beyond)

Relevant impact report recommendation

Page 8, Recommendation 7: *Improve “gateways” into the district*

a) *develop a plan and design guidelines for signage, lighting, improving the pedestrian environment*

CPED-Planning role in implementation

The implications of this recommendation are similar to that of the long-term plan recommendation above. Some level of CPED-Planning staff resources will be necessary in developing a set of design guidelines for the university district.